

(195)

Mr Bench

MS(H) lunch with Matthew Hall plc.

I agreed to let you have a note of interesting points from this lunch:

1) BPL redevelopment. MS(H) asked M.H. if project escalation was unusual; M.H. replied that it was quite normal in design + build but that cost + other implications of any design changes were fully explained to the client before being implemented. M.H. refused to be drawn as to who originated changes in BPL project; they would only say they came via the project manager, source unknown. MS(H) guessed, correctly, that they emanated from senior staff at BPL, for the best of motives.

Outside the lunch, MS(H) seemed to accept the extra costs of the project as unavoidable, but was critical of the 'extras' being sought by COLA. He was similarly critical of the mechanism for departmental monitoring; he was keen on the idea of fast track design + build elsewhere for the NHS, provided a budget + a ceiling were established at the outset.

2) Hospital maintenance contracting out. MH raised the issue that the NHS could contract out its routine engineering maintenance services for hospitals - they were clearly interested in the management function. MS(H) said they should first proposition an individual health authority before coming back centrally to AHSS.

cc. J. Parker

J. Goddard, HS3C - re 2)

Dr Smithies

Mr Harris, FA2C

Mr Arthur - for file.

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Ham. Hse 24/9/84.